

Message Text

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PAGE 01 GUAYAQ 01271 232242Z

67

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SUBJ: US FIRM CONTRACTS WITH GOE TO FISH IN ECUADOREAN WATERS

1. SUMMARY: AN ALASKA-BASED COMMERCIAL FISHING ENTERPRISE HAS ENTERED INTO A LIMITED-TERM ASSOCIATION CONTRACT WITH THE ECUADOREAN NATIONAL FISHERIES ENTERPRISE (ENPA). THE SIX-MONTH CONTRACT IS RENEWABLE AND PERMITS OPERATIONS IN CLAIMED ECUADOREAN WATERS SURROUNDING THE GALAPAGOS ISLANDS. PURPOSE OF THE ARRANGEMENT IS DESCRIBED BY GOE SOURCES AS "EXPLORATORY", TO DEVELOP FURTHER INFO REGARDING AVAILABLE ICTHIOLOGICAL RESOURCES, BUT CONTRACTOR WILL BE ABLE TO DISPOSE OF MUCH OF CATCH ON COMERCIAL TERMS.

2. A GUAYAQUIL DAILY HAS CARRIED A NOV. 18 AP ITEM, REPEATING A REPORT BY THE "SEATTLE TIMES", THAT B AND B FISHERIES OF KODIAK, ALASKA HAS CONTRACTED WITH THE GOE FOR "EXCLUSIVE" FISHING RIGHTS IN THE GALAPAGOS ISLANDS. ACCORDING TO BIX BONNEY, PRESIDENT OF B & B, THE AGREEMENT ALSO COVERS PROCESSING AND SALE OF THE CATCH AND MARKS "THE FIRST TIME" THAT FOREIGN-FLAG VESSELS, CREWS AND PROCESSING FACILITIES HAVE BEEN PERMITTED TO OPERATE IN ECUADOREAN WATERS ON A NATIONAL BASIS.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 GUAYAQ 01271 232242Z

3. THE REPORT WAS SUBSEQUENTLY CLARIFIED, BY UNDERSECRETARY

FOR FISHERIES CDR. RODRIGO RIVADENEIRA, WHO DENIED THAT ANY EXCLUSIVE RIGHTS HAD BEEN GRANTED, SINCE THE NATIONAL GOVERNMENT LACKED THE AUTHORITY TO LET ANY SUCH CONTRACT. RATHER, B AND B (APPARENTLY OPERATING THROUGH A SPECIALLY-CREATED, PANAMA-BASED SUBSIDIARY, B & B INTERNATIONAL) HAD SIGNED A TEMPORARY ASSOCIATION AGREEMENT WITH ENPA, THE STATE FISHING ENTERPRISE "FOR THE PURPOSE OF EXECUTING A PROGRAM OF EXPLORATORY FISHING (PESCA DE PROSPECCION) AND DETERMINING WITH GREATER EXACTNESS THE FISHERIES RESOURCES OF THE GALAPAGOS AREA AND THEIR POTENTIAL". THE CONTRACT COULD BE RENEWED IF "CONVENIENT", HE ADDED, WITH THE IMPLIED SUGGESTION THAT SUCH MIGHT WELL BE THE CASE.

4. SPECIFICS OF THE ASSOCIATION ARE AS FOLLOWS. FOR A SIX MONTH PERIOD, B AND B WILL DEVOTE THREE VESSELS -- TWO FISHING BOATS, EACH WITH ABOUT ONE HUNDRED TONS STORAGE CAPACITY, AND A SIX HUNDRED TON CAPACITY MOTHER SHIP -- EXCLUSIVELY TO FISHING GALAPAGOS WATERS. THEY WILL BE FREE TO FISH ALL COMMERCIAL SPECIES, WHITEFISH AS WELL AS TUNA, AND TO FREEZE, PRESERVE, PROCESS AND SELL THE CATCH. IN ADDITION TO ASSUMING ALL OPERATING COSTS, B AND B WILL FURNISH ENPA ALL DATA ABOUT THEIR OPERATIONS, WILL KEEP AND FURNISH DETAILED RECORDS OF THEIR CATCH, FURNISH INFORMATION ABOUT FISHING AREAS AND THEIR YIELD AND WILL COOPERATE WITH THE NATIONAL FISHERIES INSTITUTE (INAP) IN ITS RESEARCH PROGRAMS. ALSO, IN ACCORDANCE WITH THE RECENTLY-PROMULGATED DECREE 1050, B & B WILL BE REQUIRED TO SET ASIDE UP TO 20 PERCENT OF ITS TUNA CATCH FOR PROCESSING BZA RFCUAD LEAN CANNERIES. THE CONCESSION WILL COST B & B A FIXED SUM OF 75 DOLLARS A SHORT TON OF FISH TAKEN, WHATEVER THE SPECIES OR ULTIMATE SALES PRICE. FINALLY, B & B WILL CONTRIBUTE ONE-HALF OF ONE PERCENT OF ITS PROFITS TO AN INAP-ADMINISTERED FUND TO SUPPORT MARINE RESEARCH IN THE GALAPAGOS.

5. ALTHOUGH AN ENPA SPOKESMAN RATHER DEFENSIVELY STATED THAT B & B WILL PAY "ALL THE TAXES, FEES, CONTRIBUTIONS AND OTHER OBLIGATIONS PROVIDED BY LAW", THEY WOULD SEEM TO BE EXEMPT FROM THE LICENSING FEES NORMALLY CHARGED FOR FOREIGN-FLAG FISHING IN CLAIMED ECUADOREAN WATERS. WE HAVE FREQUENTLY HEARD THE GALAPAGOS AREA SPOKEN OF, IN LOCAL INDUSTRY CIRCLES, AS A FISHERMAN'S EL DORADO, WITH CERTAIN JAPANESE FISHING INTERESTS

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 GUAYAQ 01271 232242Z

RUMORED TO HAVE RECENTLY MADE THEIR OWN SURVEYS AND COME TO THE SAME CONCLUSION. THE ISLANDS HAVE NEVER BEEN MONITORED IN MORE THAN DESULTORY FASHION BY THE ECUADOREAN NAVY BECAUSE OF LOGISTIC DIFFICULTIES AND, IN ADDITION TO ITS OBVIOUS COMMERCIAL BENEFITS, THE B & B CONTRACT SHOULD GREATLY INCREASE GOE KNOWLEDGE OF ACTIVITIES BOTH ON AND BELOW THE SURFACE OF WATERS IT CLAIMS.

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